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By Jennifer Maddox-Parks
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Officials say the majority of businesses in Georgia have 50 or fewer employees.

ALBANY — The key to Georgia's economic recovery likely will be the health of the state's small businesses.

Keeping that in mind, Albany's congressional representative hosted an event to give those that have invested in small business some guidance.

U.S. Rep. Sanford Bishop, D-Albany, hosted a small business forum featuring area experts at Albany Technical College Monday to advise attendees on current financing and lending options.

The primary motivation for hosting the forum centered around the role small businesses traditionally play in pulling the economy out of a recession, the representative said.

"During previous economic downturns, small businesses helped us bounce back," Bishop said. "The (United States) Small Business Administration is, and will continue to be, essential (in the recovery effort)."

“If we want to have a recovery, it will come through small businesses. I’m committed to helping small businesses grow.”

The first presenter at the event was Debbie Finney, director of the Albany Small Business Development Center, who gave strategies on how to secure a loan in a tight credit market.

Essentially, her advice was to plan, plan and plan again.

“Make sure you have a well-written business plan with a projected cash flow,” she said. “This is your chance to show the lender who you are. The lender will want to see the viability of paying the loan back.”

When compiling a business plan, Finney suggested using the five Cs: capacity, character, capital, collateral and conditions of the loan.

“When going to a lender, there are no steps to be skipped these days,” she said.

Also at the forum was Nancy Wright, executive director of the Early County Community Development Corporation, who gave points on microenterprise development training.

In her presentation, it was pointed out that 95 percent of Georgia’s businesses have an employee base of 50 or fewer individuals.

“Georgia depends on its small businesses,” she said.

Toward the end of the event, a panel of experts stepped forward to give guidance on finding a

loan that is right for one's business as well as alternate sources of lending. They included Albany SunTrust Commercial Lender Perry Revell, Albany Community Together Executive Director Thelma Adams-Johnson, United States Small Business Administration Lender Relations Specialist George Hoag and Ellis Management Group President G. Mary Ellis.

Revell's suggestion to business owners was to begin thinking like banks do, a plan that would include being prepared to pledge collateral and to heed Finney's advice on establishing a well-written business plan.

"This is a process that takes weeks at a time; every commercial loan is different," he said. "It's important that what you have documented answers any questions (the lenders) might have."

Even though restrictions are still tight, officials say banks are lending money.

"The economy is coming back; we're seeing it," Hoag said. "We are seeing banks starting to lend, but they are taking things one step at a time."

The issue of financing has had widespread impact, even on a global level, experts say.

"Even when the market was healthy you had to be careful," Ellis said. "There are sources out there, you just need to be careful. It's a very trying time."

Many of the experts agree that the problem today primarily lies with the credit market, which is tighter now than it has been in decades.

"We have gone back to the (19)60's, maybe the (19)50's, in terms of how we lend," Ellis said. "We need to come down on the criteria a little, such as with credit scores. Right now, it's 640 for most lenders; some banks may be higher."

“We need some flexibility to open things up more. The incentive is great and the money is there. Something needs to be done other than plugging more capital in.”

While banks are under immense pressure to take more loans, Revell reminded those present that the banks have had losses as well.

“Even if collateral is offered, there is no guarantee that collateral will be collected,” he said.

Ellis’ advice to potential borrowers was to use disclosure.

“I like to know what all the needs are up front,” she said.

About 50 people attended the event.



U.S. Rep. Sanford Bishop, D-Albany, hosted a forum Monday at Albany Technical College to offer guidance to the area’s small business owners. From left, George Hoad, U.S.

Small Business Administration; Thelma Adams-Johnson, executive director of Albany Community Together; Perry Revell, Sun Trust commercial lender; and G. Mary Ellis, president of Ellis Management Group, were part of a panel answering questions.